

Message Text

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E.O. 11652: N/A
TAGS: ELAB, SW
SUBJ: DEVELOPMENTS ON THE SWEDISH LABOR SCENE

1. UNEMPLOYMENT: NOVEMBER UNEMPLOYMENT STATISTICS ARE OUT AND SHOW A DROP IN UNEMPLOYMENT FROM 2.1 PERCENT IN OCTOBER TO A NOVEMBER FIGURE OF 1.9 PERCENT. THIS GOOD NEWS IS TEMPERED BY THE FACT THAT A RECORD NUMBER OF PEOPLE WERE HOLDING RELIEF JOBS OR ENROLLED IN LABOR MARKET TRAINING PROGRAMS IN NOVEMBER, INDICATING IN FACT NO REAL IMPROVEMENT IN THE OVERALL JOB MARKET PICTURE. YOUTH UNEMPLOYMENT IS DOWN BY A NOTEWORTHY 25 PERCENT, INDICATING THAT RECENT RELIEF WORK PROJECTS AIMED PRINCIPALLY AT YOUTH ARE BEGINNING TO SHOW THE INTENDED RESULTS. BAD NEWS FOR SWEDEN IS THAT UNEMPLOYMENT IN THE CONSTRUCTION INDUSTRY HAS MORE THAN DOUBLED IN A MONTH TO A RATE OF 5.2 PERCENT. COMPARED WITH LAST YEAR, TOTAL EMPLOYMENT REMAINS AT ABOUT THE SAME LEVEL -4.1 MILLION; THE NUMBER OF VACANT JOBS IN INDUSTRY IS DOWN BY TWO-THIRDS; AND THE NUMBER OF THOSE ON THE UNEMPLOYMENT ROLLS IS MORE THAN 20 PERCENT HIGHER.

2. SHAKE-UP IN SAF LEADERSHIP: THE SWEDISH EMPLOYERS CONFED-
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ERATION (SAF), WHICH BARGAINS ON MANAGEMENT'S BEHALF IN THE ANNUAL LABOR NEGOTIATIONS JUST GETTING UNDERWAY, ANNOUNCED THIS WEEK THE RESIGNATION OF LARS-GUNNAR ALBAGE AS NEGOTIATING SECRETARY, AND THE APPOINTMENT OF OLOF LJUNGGREN OF THE SVENSKA DAGBLADET NEWSPAPER TO SUCCEED CURT-STEFFAN GIESECKE AS EXECUTIVE DIRECTOR. TAKEN TOGETHER WITH THE APPOINTMENT OF CURT NICOLIN, WHO HAS EMERGED AS THE CONTROLLING FORCE OF THE

ORGANIZATION, AS CHAIRMAN LAST YEAR, THE TOP THREE POSITIONS IN SAF ARE NOW IN THE HANDS OF THE SO-CALLED HAWK-FACTION OF SWEDISH INDUSTRIAL MANAGEMENT. NONETHELESS, THE BARGAINING PICTURE FOR THE UPCOMING NEGOTIATIONS REMAINS SOBER AND UN-CONTENTIOUS, COLORED BY THE KNOWLEDGE ON BOTH SIDES THAT THE ECONOMIC PIE HAS SHRUNK FOR THE FIRST TIME IN SWEDEN'S POST-WAR HISTORY.

3. THE SIX-HOUR WORKDAY: NEITHER A SAGGING ECONOMIC PICTURE NOR THE ASSUMPTION TO POWER OF A CONSERVATIVE GOVERNMENT CAN PUT THE BRAKES ON SWEDEN'S RENOWNED EXPERIMENTS IN SOCIAL REFORM. THE GOVERNMENT'S LATEST PROPOSAL IS A LAW TO TAKE EFFECT IN 1979 PERMITTING EITHER PARENT TO TAKE A YEAR AND HALF'S LEAVE-WITHOUT-PAY, WITHOUT PREJUDICING THE RIGHT TO REASSUME THE SAME JOB, IN ORDER TO CARE FOR NEWBORN INFANTS. MOREOVER, EITHER PARENT MAY SHORTEN HIS WORKDAY TO 6 HOURS, AT HIS OWN EXPENSE, UNTIL THE CHILD REACHES THE AGE OF 8. THIS PROPOSAL, WHICH WILL ALMOST CERTAINLY BECOME LAW DESPITE SOME NOTEWORTHY OPPOSITION, MAY BE RELATED TO THE SUDDEN SURGE OF CONCERN REGARDING SWEDEN'S LOW BIRTH RATE. OPPOSITION HAS COME SURPRISINGLY FROM BOTH LABOR AND MANAGEMENT QUARTERS WHO WOULD PREFER THAT SOCIAL MEASURES OF THIS NATURE EMERGE FROM THE ANNUAL LABOR MARKET NEGOTIATIONS RATHER THAN LEGISLATIVE FIAT. MANAGEMENT MAY ALSO HAVE SOME RESERVATIONS REGARDING THE LAW'S IMPACT ON EFFICIENCY.

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